

272A.4-020 Notice and action on amendment of organic rules.

- (1) Except as provided in KRS 272A.4-010(1) and 272A.4-050(6), the organic rules of a limited cooperative association may be amended only at a members meeting. An amendment may be proposed by either:
 - (a) A majority of the board of directors, or a greater percentage if required by the organic rules; or
 - (b) One (1) or more petitions signed by at least ten percent (10%) of the patron members or at least ten percent (10%) of the investor members.
- (2) The board of directors shall call a members meeting to consider an amendment proposed pursuant to subsection (1) of this section. The meeting shall be held not later than ninety (90) days following the proposal of the amendment by the board or receipt of a petition. The board shall mail or otherwise transmit or deliver in a record to each member:
 - (a) The proposed amendment, or a summary of the proposed amendment and a statement of the manner in which a copy of the amendment in a record may be reasonably obtained by a member;
 - (b) A recommendation that the members approve the amendment, or if the board determines that because of conflict of interest or other special circumstances it should not make a favorable recommendation, the basis for that determination;
 - (c) A statement of any condition of the board's submission of the amendment to the members; and
 - (d) Notice of the meeting at which the proposed amendment will be considered, which shall be given in the same manner as notice for a special meeting of members.

Effective: July 12, 2012

History: Created 2012 Ky. Acts ch. 160, sec. 24, effective July 12, 2012.